United Nations UNW/2011/11

Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

Distr.: General
13 October 2011

Original: English

Second regular session of 2011
5-7 December 2011
Item 2 of the provisional agenda*
Financial, budgetary and administrative matters

Institutional budget estimates for the United Nations Entity for Gender Equality and the Empowerment of Women for the biennium 2012-2013

Summary

The present document contains the first proposed institutional budget of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), covering the biennium 2012-2013. The budget is estimated at $140.8 million gross ($132.3 million net). As requested by the Executive Board, the proposed budget has been prepared in accordance with the harmonized results-based-budgeting and cost classification methodology applied by the United Nations Development Programme, the United Nations Children's Fund and the United Nations Population Fund. In accordance with the provisions of General Assembly resolution 64/289, the resources required to support the intergovernmental normative processes are being proposed by the Secretary-General in the context of the proposed programme budget of the United Nations for the biennium 2012-2013 (A/66/6 (Sect. 17)).

The present budget provides for the institutional resources needed to implement the strategic plan, which was endorsed by the Executive Board in June 2011. The principal priority reflected in the budget proposal is strengthening the capacity of UN-Women to support countries in their pursuit of nationally owned priorities in gender equality and the empowerment of women. To this end, the proposed budget provides for the phased development of 21 new country presences in 2012-2013, as well as the strengthening of the capacity in the 17 country presences for which the Executive Board has approved institutional budget resources for 2011. The basic functions envisaged to be supported and the required base capacity emerges from the field capacity assessment conducted by UN-Women early in 2011. At headquarters, limited strengthening is proposed primarily to overcome deep gaps in core institutional functions resulting from underinvestment by predecessor entities, but also to support the programmatic priorities of the strategic plan.

* UNW/2011/L.3.

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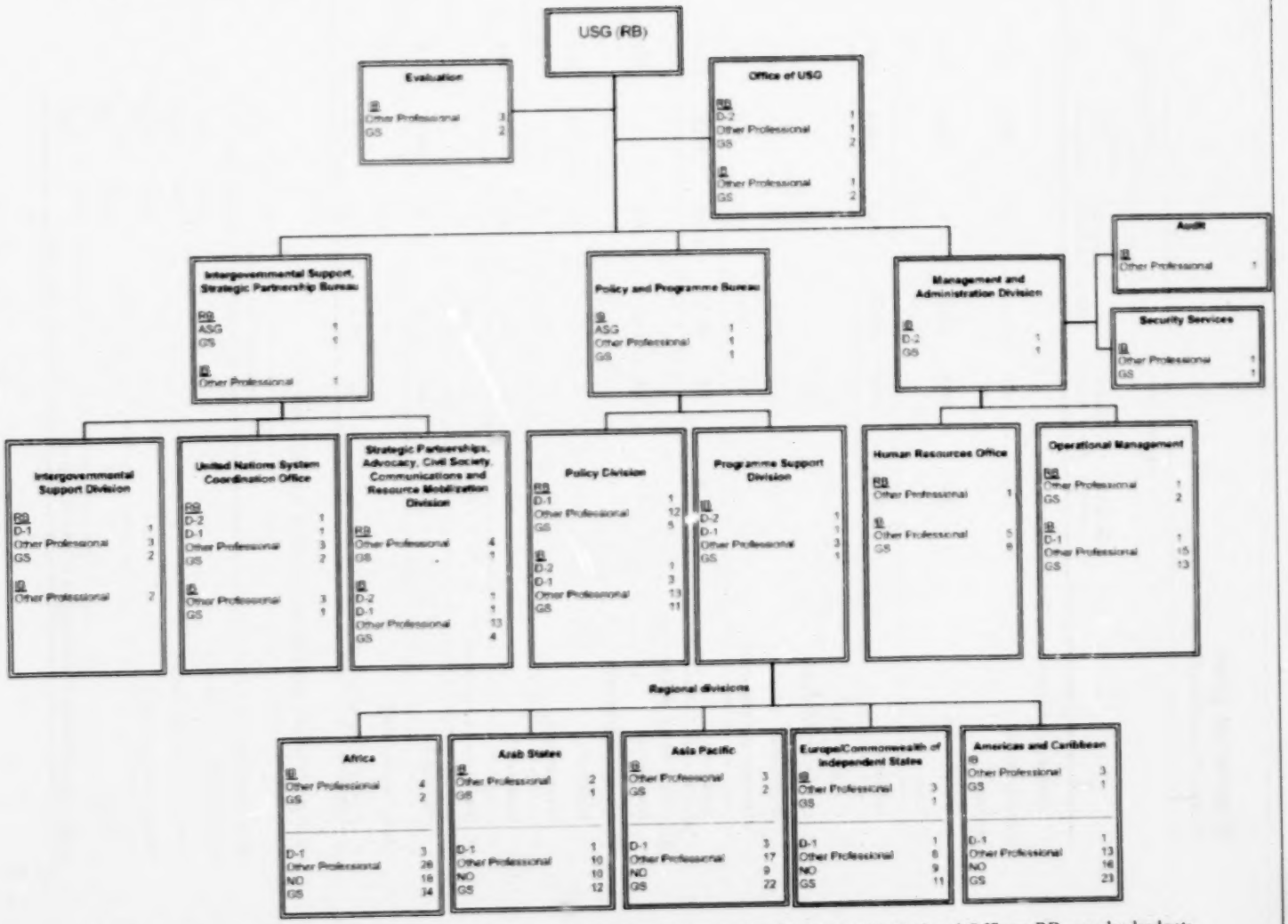
The proposed budget is premised on prudent assumptions concerning the growth of contributions. It represents 19.1 per cent of envisaged resource utilization. Development activities would receive 86.3 per cent of resources used, while management costs would account for 10.8 per cent.

Contents

		Page
	Organization chart	3
	Resources plan	4
I.	Overview	5
II.	Strategic context	6
III.	Financial context	12
IV.	Proposed institutional budget for 2012-2013	14
	A. Cost classification	14
	B. Results and resources framework	14
	C. Budget proposals	24
V.	Draft decision	31
Annex		
I.	Details of results and resources framework	33
II.	Comparison of resource requirements by functional cluster, 2012-2013	37
III.	Methodology	38
IV.	Terminology	41

Organization chart



Abbreviations: ASG, Assistant Secretary-General; GS, General Service; IB, institutional budget; NO, National Officer; RB, regular budget; USG, Under-Secretary-General.

UNW/2011/11

Resources plan

(Millions of United States dollars)

	2011 indicative estimates			*2012-2013 estimates*			
	Unearmarked resources	*Earmarked other resources*	*Total*	*Unearmarked resources*	*Earmarked other resources*	*Total*	*Percentage of total*
1. Resources available							
Opening balance	15.0	210.0	225.0	29.5	99.0	128.5	—
Income							
Contributions	130.0	100.0	230.0	350.0	350.0	700.0	—
Other	1.0	—	1.0	2.0	—	2.0	—
Subtotal 1	**146.0**	**310.0**	**456.0**	**381.5**	**449.0**	**830.5**	—
2. Use of resources							
A. Development activities							
Programme	72.0	204.0	276.0	215.0	382.0	597.0	80.9
Development effectiveness		6.0	6.0	35.9	4.0	39.9	5.4
Subtotal A	**72.0**	**210.0**	**282.0**	**250.9**	**386.0**	**636.9**	**86.3**
B. United Nations development coordination	**5.4**	**1.0**	**6.4**	**20.9**	—	**20.9**	2.8
C. Management activities							
Recurrent	25.1	—	25.1	73.6	4.4	78.0	10.5
Non-recurrent	10.0	—	10.0	2.0	—	2.0	0.3
Subtotal C	**35.1**	—	**35.1**	**75.6**	**4.4**	**80.0**	**10.8**
D. Special-purpose activities	**4.0**	—	**4.0**	—	—	—	—
Subtotal 2	**116.5**	**211.0**	**327.5**	**347.4**	**390.4**	**737.8**	**100.0**
Change management	—	—	—	0.8	—	0.8	—
3. Balance of resources	29.5	99.0	128.5	33.3	58.6	91.9	—

Summary of the institutional budget for 2012-2013

	Amount (millions of United States dollars)	*Percentage*
Development effectiveness	39.9	28.34
Development coordination	20.9	14.84
Management activities	80.0	56.82
Total	**140.8**	**100**
Institutional budget as percentage of total resources		**19.1**

I. Overview

1. The proposal is for a biennial institutional budget of $140.8 million. The resources required to service the normative intergovernmental processes will be considered by the General Assembly in the context of its consideration of the proposed programme budget for the biennium 2012-2013. The budget was prepared on the basis of the harmonized results-based-budgeting and cost classification methodology applied by the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA). The requested analysis to specify whether certain activities are normative, operational or a combination of the two, could be undertaken only in the context of an endorsed strategic plan. The results will be reflected in the proposed budget for 2014-2015.

2. In developing the present proposals, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) has been guided by the overarching need to deliver measurable development results, in particular at the country level. It will aggressively pursue the strategic plan resource mobilization target of $900 million in contributions over the biennium. However, given global economic conditions, the budget was planned on the basis of projections of $700 million.

3. The current proposals build on the measures taken in 2011. Priority was attached to developing a business model in which UN-Women could catalyse change by drawing together high-quality expertise to promote results-oriented programming, key partnerships, cutting-edge analysis, strategic presence and high-level advocacy and leadership. Organizationally, the full consolidation and integration of four entities into the new one was accomplished in 2011. The Executive Board authorized a change in funding source from programme funding to the institutional support budget for 117 posts, authorized two new regional centres, began to shift programming activity from the subregional to the country level and completed a field capacity assessment.

4. The organizational development of UN-Women remains a work in progress. For the biennium 2012-2013, UN-Women will pursue two main priorities. The foremost priority is to strengthen work in the field by progressively expanding the reach and deepening the engagement of UN-Women at the country level.

5. The second priority is to enhance the efficiency and effectiveness of both programme delivery and management and administrative support functions, beginning with an organizational efficiency initiative to examine operational processes and identify areas where resources can be consolidated.

6. The organizational efficiency initiative will be integrated with the regional architecture review currently under way, the findings and recommendations of which will be reported to the Executive Board at its annual session in June 2012. The Executive Director will recommend further budgetary adjustments stemming from the regional architecture review and efficiency and effectiveness initiative when she reports thereon to the Board.

7. UN-Women proposes an institutional budget of $140.8 million. As 2011 was the first year of operations of UN-Women, there is no adequate biennial baseline against which to compare the 2012-2013 proposals.

8. The proposals provide for the phased development of 21 new country presences in 2012-2013 and strengthened capacity in 17 country presences.

9. UN-Women must also begin to redress critical gaps in its core functions, such as management and administration, communications and resource mobilization. Resources are also required for at least minimal substantive capacity to drive the thematic priorities in the strategic plan and to support the coordination and accountability mandates, given their centrality to the work of UN-Women and the fact that none of the former entities were staffed to serve these mandates.

10. It is proposed that 139 new posts be established, of which 102 would be in the field and 37 at headquarters. This would increase the number of UN-Women posts to 387. Of the new posts, 25 represent a change of funding source from programme resources to the institutional budget, and 13 reflect a provision for ongoing functions that have been discharged by full-time consultants working under special service agreement contracts. These measures continue the process initiated in January 2011 of placing the Entity on a transparent and sound institutional footing.

11. Over 86.3 per cent of resources would be devoted to development activity. The proposed institutional budget represents 19.1 per cent of envisaged resource utilization, while the share devoted to management activities would be 10.8 per cent.

II. Strategic context

12. The creation of UN-Women by the General Assembly in its resolution 64/289 brought into being a new entity with unique mandates that span intergovernmental and normative support and inter-agency, policy and operational work and include country, regional and global programming, strategic partnership and advocacy. Transforming the sum of the four previous entities into a high-performing, integrated entity with universal reach, equipped to catalyse and support nationally owned programmes, to spearhead normative change and to lead, promote and coordinate the accountability of the United Nations system in its gender equality work is a multidimensional endeavour that goes beyond the biennial budget cycle.

13. After the creation of UN-Women, the misalignment of the different timetables for the intergovernmental consideration of programme and budget issues required UN-Women to submit its support (now called institutional) budget for 2011 before the consideration by the Executive Board of the strategic plan. The programmatic context is now different: the present proposals for the strengthening and development of UN-Women in 2012-2013 are anchored in the strategic plan (UNW/2011/9), endorsed by the Board in its decision 2011/3. The strategic plan sets out the development goals that the proposed institutional budget is designed to support. Specifically, it defined six substantive priorities:

(a) To increase women's leadership and participation;

(b) To increase women's access to economic empowerment and opportunities;

(c) To prevent violence against women and girls and expand access to services;

(d) To increase women's leadership in peace, security and humanitarian response;

(e) To strengthen the responsiveness of plans and budgets to gender equality at all levels;

(f) To help ensure that a comprehensive set of global norms, policies and standards on gender equality and women's empowerment is in place that is dynamic, responds to new and emerging issues, challenges and opportunities and provides a firm basis for action by Governments and other stakeholders at all levels.

14. This latter priority responds to two functions of UN-Women: to provide substantive support to intergovernmental processes and to strengthen coherence between the normative guidance generated by intergovernmental bodies and the operational support provided to national partners at the country level.

15. The resources proposed are critical for the ability of UN-Women to perform its mandated functions and to contribute robustly to the achievement of nationally owned gender equality outcomes.

Basis for budget formulation

16. In developing the proposed budget, UN-Women has been guided by the need to deliver measurable development results. It was also mindful of its responsibility for prudence in the stewardship of resources and the need to pace the expansion of its presence in line with the ability to make the most effective use of it. UN-Women intends to ensure that its further organizational development is judiciously considered and planned through the primary lens of the need for programme delivery.

17. The present proposals address institutional budget requirements for the support of operational intergovernmental processes and operational activities. Proposals for support of the normative intergovernmental process have already been submitted to the General Assembly in the context of the proposed programme budget for the biennium 2012-2013 (A/66/6 (Sect. 17)), in line with the policies and procedures governing the United Nations programme budget.

18. As requested by the Executive Board in its decision 2011/1, the budget was prepared in line with the harmonized budget and results methodologies applied by UNDP, UNICEF and UNFPA. In paragraph 13 of the same decision, the Board requested that the institutional budget for 2012-2013 reflect the analysis conducted pursuant to section VI, paragraphs 8 and 9, of General Assembly resolution 65/259 concerning whether certain activities of UN-Women would support or be considered normative intergovernmental processes, operational intergovernmental processes and operational activities or a combination thereof.

19. These requests provide an important opportunity for UN-Women to reinforce the bond between the normative and operational aspects of its work. But the analysis could be undertaken only on a sound, substantive footing in the context of an approved strategic plan. As a practical matter, the deeply substantive nature of this exercise also required that it be driven by the senior management team, which was constituted over the course of 2011.

20. The findings of this analysis will be reflected in both the proposed programme budget for 2014-2015 and the UN-Women integrated budget for voluntarily funded activities for the same period. An initial step that could be taken for 2012-2013 is in the administrative area, where the need to provide for budgetary and other support

functions that had previously been provided by the Department of Economic and Social Affairs was immediately apparent. In this respect, two new P-3 posts are being sought through the proposed programme budget of the United Nations for the biennium 2012-2013.

Progress in 2011

21. The current proposals for strengthening the implementation of the strategic plan build on achievements in 2011 in all areas of the Entity's mandate. With regard to its operational role, UN-Women has focused on results-oriented programming, key partnerships, cutting-edge analysis, strategic presence and high-level advocacy and leadership. For example, the Entity's partnership in Morocco is advancing women's rights by mainstreaming gender in national policies and budgets. This includes the production of an annual report evaluating public spending through a gender lens at both national and municipal levels and the provision of support for a new family code and family assistance fund for the most vulnerable women. UN-Women brought expertise and experience from across the world to Egypt and Tunisia to integrate good practices in the promotion of gender equality in institution-building, including electoral reform and constitution formulation. As part of its advocacy work, UN-Women, in its report entitled *Progress of the World's Women*, focused on access to justice, providing a solid base of evidence for public action on women's rights.

22. With regard to its normative support function, UN-Women, together with UNDP and a number of Member States, organized a high-level side event on women's political participation during the sixty-sixth session of the General Assembly, which brought together female Heads of State and Government and ministers from all regions of the world. The joint statement from the event was the inspiration for a new draft resolution on women's political participation in the Third Committee. The joint statement will be used by UN-Women and its partners to promote momentum on this issue.

23. With regard to its coordination role, UN-Women compiled a repository of policies, strategies and action plans within the United Nations system, which includes a section on online capacity-development tools for gender mainstreaming (see www.un.org/womenwatch/ianwge/repository/). This brought together for the first time information from 24 funds, programmes and specialized agencies and various Secretariat offices, departments and regional commissions. The depository serves as a resource not only for the United Nations, but for all development partners. UN-Women, together with the Food and Agriculture Organization of the United Nations, the International Fund for Agricultural Development and the World Food Programme, convened an expert group meeting in Accra on enabling rural women's economic empowerment: institutions, opportunities and participation. The meeting produced a set of concrete recommendations that will support preparations for the fifty-sixth session of the Commission on the Status of Women.

24. The full consolidation and integration of four entities into UN-Women was accomplished in 2011. A functional analysis was conducted to consolidate functions, leading to the design of the new organizational structure. Job descriptions were created or updated for all posts, and a process to align staff against the requirements of the posts was conducted. UN-Women is pleased that 93 per cent of incumbents could be aligned to the new job descriptions.

25. The migration of information technology systems into a single system, the implementation of a single enterprise resource planning system, the integration of financial resources and systems, the dissemination of a new operations manual and the contracting of space to accommodate UN-Women in New York are among the major administrative steps taken. By the end of 2011, most UN-Women personnel in New York will be co-located on the same premises, further facilitating collaboration and the strengthening of a shared organizational culture.

26. The approval by the Executive Board of the support budget for 2011 (decision 2011/1) finalized the senior management structure of UN-Women and enabled recruitment and staffing to begin. As at the end of September, the full management team was in place. The Board also authorized a change in funding source from programme resources to the support (institutional) budget for 117 posts. It authorized two new regional centres and provided the beginnings of appropriately funded capacity in 17 countries, a step towards shifting programming activity from the subregional to the country level.

27. A field capacity assessment was conducted to help define the core services that UN-Women presences should be equipped to provide at the country level and the base capacity required. Most important, a strategic plan was developed, presented and endorsed by the Executive Board, providing substantive direction on programme focus and priorities. In terms of its own institutional development, the preparation of the strategic plan proved to be a critical integrative exercise, drawing together normative, policy and operational dimensions in shaping proposals.

28. The modalities by which UN-Women will work together with United Nations country teams have been disseminated jointly by the Executive Director and the Chair of the United Nations Development Group. With respect to UN-Women's new accountability functions, a gender equality framework and action plan has been developed for approval by the United Nations System Chief Executives Board for Coordination (CEB) in April 2012. Significant progress has been made in the design of tools to help measure organizational performance in relation to gender equality commitments.

Organizational development priorities

29. While much has been accomplished in 2011 in creating a unified entity and in defining the substantive direction, the process of change and organizational improvement is a work in progress. UN-Women has two priorities for its further organizational development in 2012-2013: to strengthen country-level engagement and to enhance efficiency and effectiveness.

Country-level engagement

30. The foremost priority is to strengthen programme delivery in the field by progressively expanding the reach and deepening the engagement of UN-Women at the country level. Carrying forward this principal theme of the strategic plan includes making a transition from a highly centralized organization to one that is field focused, developing country programming arrangements, aligning programme activity with strategic plan results and scaling up activities so as to work through larger and fewer programmes and not spread resources too thinly. In view of its responsibility to lead, coordinate and promote the accountability of the United Nations system in its work on gender equality and the empowerment of women,

UN-Women will work with country teams to ensure they have the capacity to advance gender equality. This could include supporting the mainstreaming of gender perspectives into programme portfolios, supporting improved knowledge on the status of women in individual countries and leading country teams in improving accountability, including the tracking of investments.

Efficiency and effectiveness

31. Since its establishment, UN-Women has undertaken two key exercises to improve the way it functions. The first, the field capacity assessment, examined country-level operations and made decisions on how UN-Women could deliver better results in the countries where it will have a presence. The second ongoing exercise, the regional architecture review, is examining the regional structures of UN-Women and how they connect to the headquarters level, including the normative support functions of UN-Women, to the country level, and how regional activities can provide value. The third will be an organizational efficiency initiative in which necessary business process improvements are examined both to increase effectiveness and to identify further areas for improving efficiency.

32. The establishment of UN-Women was intended to strengthen the United Nations system for the delivery of better results in the areas of gender equality and the empowerment of women. The consolidation of the predecessor entities resulted in some efficiency gains. For example, the requirement for the relocation of office space led to a 12 per cent reduction in the unit cost for space in New York. Furthermore, although administrative support for the two entities formerly part of the Department of Economic and Social Affairs remained within the Secretariat, the 45 posts transferred from those entities have been accommodated within the existing support capacity.

33. UN-Women recognizes, however, that these modest gains do not represent the full extent of the potential to improve efficiency. Under the organizational efficiency initiative, all aspects of the Entity's business processes at all levels will be examined, including financial and budgetary processes, to explore ways of reducing administrative burdens, particularly in the field, and of pooling capacity where possible. In the area of human resources, ways in which UN-Women can better invest in its staff to develop the capacities necessary to deliver the results of the strategic plan will be proposed. Areas in which resources can be consolidated will be identified.

34. On the basis of the review, key improvements will be made, covering such priority areas as financial and budgetary management; reporting and auditing, including a solid internal control framework with the highest standards of transparency and resource utilization reflecting global best practices in those areas; strengthened internal governance structures that maximize synergies; communication and knowledge-sharing, both for internal purposes and as a basis for communicating and sharing knowledge outside of UN-Women; and staff capacity for the UN-Women mandate, including enhanced capacity for coordination within the United Nations system as a priority and measures to improve both functional and geographical staff mobility.

35. The organizational efficiency initiative will be integrated with the regional architecture review currently under way to identify efficiencies in services that at present are offered at headquarters and at the regional and country levels and that

could be either streamlined or consolidated, including the establishment of geographic sections and technical and thematic support capacity.

36. UN-Women will report to the Executive Board on the findings and recommendations of the regional architecture review and the results of the organizational efficiency initiative at its annual session in June 2012. The present proposals do not prejudge the findings; the Executive Director would recommend any further necessary budgetary adjustments stemming from the regional architecture review and efficiency and effectiveness initiative when she reports the conclusions to the Board.

37. In view of the change process and agenda envisaged, however, UN-Women proposes that it be authorized to carry forward to 2012-2013 $800,000 of the unutilized balance of the $5 million that had been approved for change management in 2011. This will enable UN-Women to plan and advance change management actions pending the submission to the Executive Board of the report on the regional architecture review and organizational efficiency and effectiveness initiative.

Budgetary priorities

38. The proposed institutional budget supports the achievement of the four main management results expressed in the strategic plan: (a) to drive more effective and efficient United Nations system coordination and strategic partnerships, as well as to play a knowledge hub role on gender equality and women's empowerment; (b) to develop a strong learning culture founded on results-based management, reporting, knowledge management and evaluation; (c) to enhance organizational effectiveness with robust capacity at the country, regional and corporate levels; and (d) to mobilize and leverage significantly greater resources for gender equality and women's empowerment.

39. Two interwoven threads are evident in how the budget pursues these results: enhancing capacity in areas where the internal organizational analysis is complete and continuing the process initiated in January 2011 of placing the Entity on a transparent and sound institutional footing. To address the latter issue, it is proposed that the source of funding for posts and other capacity be shifted from programme resources to the institutional budget. This will make the real pattern of resource utilization more transparent and accurate, bring the capacity within the budgetary purview of the Executive Board and enable the use of contractual instruments that are better able to attract and retain the best staff. While it would create the appearance of an increase in posts under the institutional budget, these changes in the source of funding for posts would typically be resource neutral.

40. The process of conversion, where appropriate, would not be completed in 2012-2013. In view of the review of different aspects of organizational design and working methods described in paragraphs 31 to 37 above, care has been taken not to propose to institutionalize capacity if the continuing need is uncertain. Where such need has been confirmed, the budget does include a proposal to establish some posts for ongoing functions being discharged on a full-time basis by consultants under special service agreements.

41. As one of the main demands on UN-Women is for intensified and sustained engagement at the country level, the primary focus of the 2012-2013 institutional budget is on increasing the number of countries in which it is able to provide

support of the kind recommended in the field capacity assessment. The strategic plan had put forward a target of 75 countries. In 2012-2013, it is proposed that a further step be taken by adding 21 new country presences and strengthening the 17 country presences that the Executive Board had agreed earlier in 2011 to fund from the institutional budget. With these measures, by the end of the biennium, UN-Women would have a presence funded by the institutional budget in 55 countries, taking account of the 11 subregional offices and 6 regional centres, including a proposed new office for Europe and Central Asia.

42. In support of a field-centred vision of programme development and implementation, UN-Women is also undertaking a pilot decentralized model of operation for the Arab States, with technical and operational capacities located in the regional centre in Cairo.

43. While the overarching investment priority for 2012-2013 is to support engagement in the field, UN-Women must ensure that it is sufficiently equipped to carry out core institutional functions. The practical reality is that across a wide range of corporate functions, such as management and administration, communications and resource mobilization, the foundation left by predecessor entities does not correspond to the needs of a new entity of broader scope. Provision is also required for at least a minimal substantive capacity to drive thematic priorities set out in the strategic plan that support the coordination and accountability mandates, given their centrality to the work of UN-Women. None of the pre-existing entities were staffed to serve those mandates.

44. The positioning and visibility of UN-Women is critical in ensuring that its mandate and work stay high on the international policy, development and financial agendas. This is especially important during the early life of the Entity. Leveraging strategic communications and advocacy alliances, UN-Women will drive its messages on priority issues to a range of audiences through tailored communications and media channels. UN-Women to date has 240,000 monthly visitors to its website and 90,000 followers on Twitter, Facebook and YouTube. By making the impact and results of programmes visible and by expanding partnerships in advocacy campaigns such as "Say No — UNiTE to End Violence against Women", UN-Women will strengthen its credibility and reliability as the authoritative voice and partner of choice for women's issues and thus generate political and financial support.

III. Financial context

45. The overall financial framework of UN-Women comprises the grant received from the United Nations programme budget for servicing the normative intergovernmental processes and voluntary contributions to service the operational intergovernmental processes and activities. The United Nations programme budget, which had been the funding source for two of the predecessor entities, is proposed by the Secretary-General to provide $14.8 million (before recosting) for the normative intergovernmental processes during 2012-2013. Voluntary contributions are building on the base left by the former United Nations Development Fund for Women (UNIFEM).

46. In establishing UN-Women, the international community sent the message that gender equality and women's rights are on par with other global imperatives, such as ending poverty and hunger and combating climate change, and that the

achievement of the latter goals are dependent on gender equality and the empowerment of women and require scaled up activities and resources. The establishment of UN-Women and the appointment of its first Under-Secretary-General, who serves as Executive Director, have generated enthusiasm for gender equality issues worldwide.

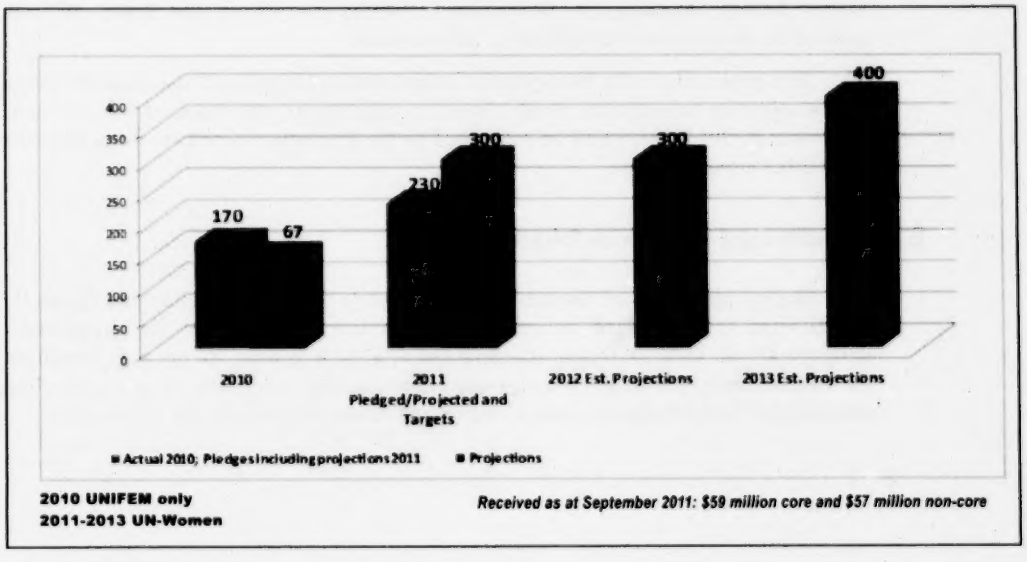
47. While its expectations are high, UN-Women has come into being in a setting of economic turbulence and fiscal pressures that negatively affect the contribution capacity of many of its partners. The environment for resource mobilization is therefore particularly challenging. Against this backdrop, it is encouraging that in 2011, the first year of the Entity's existence, unearmarked contributions are expected to have doubled from the preceding year, to over $130 million. The forecast of all contributions for 2011, $230 million, represents a 35 per cent increase over contributions in 2010 from UNIFEM.

48. In adapting to the economic climate, UN-Women envisages resource mobilization efforts on multiple tracks: working with traditional larger donors with the potential to contribute more; working with emerging donors; and expanding opportunities for cost-sharing activities parallel to the broadening of the presence of UN-Women at the country level. The country presences proposed in the present budget are expected to lead to growth in the level of other resources. As the economic and financial landscape continues to change, attention is being directed to new and emerging economies with the potential to become strong contributors to UN-Women. The emergence of new sources of support, in Asia and among the Gulf States, for example, show that these efforts are bearing fruit. With such efforts, UN-Women believes that resource growth can build on the momentum seen in 2010 and 2011 created by its establishment. Relationships with the private sector and foundations will also be strengthened.

Figure I

Projections of contributions of unearmarked and earmarked resources, 2011-2013

(Millions of United States dollars)



49. The proposed institutional budget for 2012-2013 reflects contribution projections of $300 million in 2012 and $400 million in 2013, divided equally between unearmarked and earmarked contributions (see figure I). As indicated in the resources plan at the beginning of the present document, total resources available for 2012-2013 are anticipated to be $830.5 million.

50. UN-Women intends to work aggressively to attain the contribution level of $900 million envisioned in the strategic plan for 2012-2013. However, given the prevailing uncertainty on the contribution capabilities of some Member States, the institutional budget is premised on more conservative projections so as to ensure that the progressive strengthening of the capacities of UN-Women remains moderate in relation to programme delivery.

IV. Proposed institutional budget for 2012-2013

A. Cost classification

51. In accordance with Executive Board decision 2011/1, the institutional budget for 2012-2013 has been prepared on the basis of the harmonized cost classification and results methodologies approved for UNDP, UNFPA and UNICEF. UN-Women will continue to make refinements in the light of experience. The cost categories are: development activities, subdivided into programme and development effectiveness; United Nations development coordination; management; and special purpose.

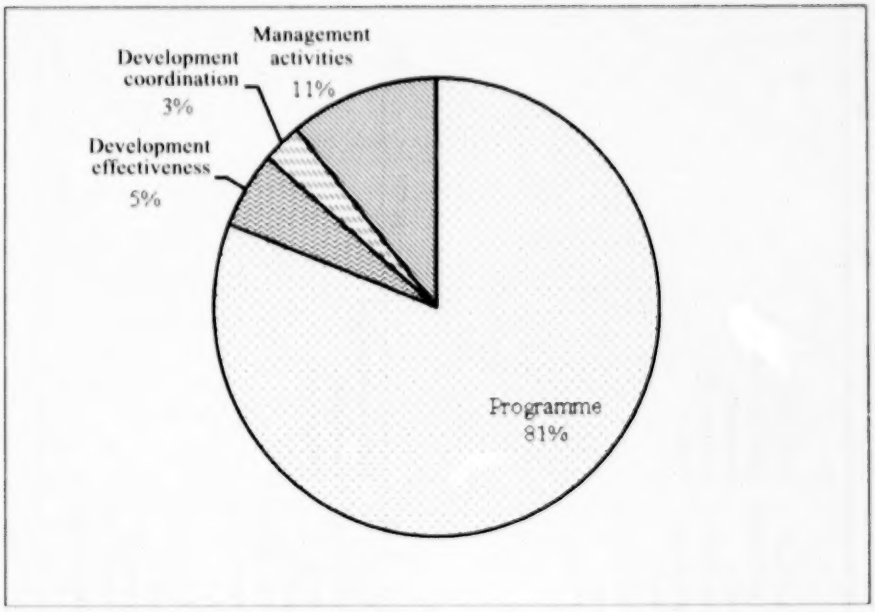
52. The cost classifications are modelled on the practices of UNDP, UNFPA and UNICEF. The main appreciable difference relates to the need for UN-Women to reflect its particular mandate to lead, coordinate and promote the accountability of United Nations system work on gender equality and the empowerment of women. To this end, UN-Women partially attributes leadership posts in the field to coordination rather than fully to management, which is generally the practice of the other bodies. UNDP, however, does apportion a percentage of some field costs to United Nations coordination. Otherwise, a "whole post/whole unit approach" was applied in the interest of simplicity of presentation.

53. The application of a harmonized budget methodology and cost classifications will require an amendment to the financial regulations and rules of UN-Women. Proposals in this respect will be submitted to the Executive Board for consideration at its 2012 annual session.

B. Results and resources framework

54. The proposed use of resources is illustrated in the resources plan and figure II. UN-Women is committed to maximizing its use of resources for programme delivery. Of the total envisaged resource use of $737.8 million, 86 per cent would be for development activities. Management requirements represent 11 per cent. The institutional budget share of total resource utilization would be some 19 per cent.

Figure II
Use of resources, 2012-2013



55. The results and resources framework for the biennium 2012-2013 is presented in table 1. For each of the cost classification categories, linkages are made between organizational outputs, performance indicators and targets, functional clusters and proposed resource requirements. The outputs, the indicators of performance and the baselines and targets in the table are drawn from the strategic plan, except that two additional outputs have been added: one to cover executive leadership and direction and the other to cover advocacy and communications. Progress in achieving the management results for 2012-2013 will be reported in the context of strategic plan reporting cycle in the annual session of 2014. As requested in Executive Board decision 2011/3, revised development and management results frameworks will be presented to the Board prior to its annual session in 2013. Table 2 below indicates the main areas of cost and volume changes.

Table 1
Management results and resources framework[a]

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
Development effectiveness							
2.1. UN-Women programming practices reflect specific, measurable, attainable, realistic, time-bound and systematic results orientation	Availability of baselines and targets for all indicators at corporate, regional and country levels	To be established at the end of 2011	The global strategic plan and all subregional offices and large country offices have baselines and targets for all indicators	Programme planning, technical programme guidance and support			
	Availability of online grant management and results-tracking system for the Fund for Gender Equality, the United Nations Trust Fund to End Violence against Women and other thematic and country-level multi-donor funds	Online grant management system exists for the Fund for Gender Equality; no online results tracking system is yet available for any of the funds	Results-tracking system in place for all multi-donor funds by end of 2013				
					10 474	3 090	13 564
2.2. UN-Women headquarters and field-based systems support evidence-based knowledge generation on gender equality and women's empowerment	Number of country-level situational analyses on progress towards gender equality supported by UN-Women	To be established in 2011	30 country-level situational analyses on progress towards gender equality prepared by the end of 2013 with support from UN-Women	Policy advocacy and knowledge management			
	Number of unique visitors to Extranet, portals and Internet sites managed by UN-Women	UN-Women Internet site: average per month unique visitors in 2011 is 259,606 UN-Women YouTube Channel viewers: 14,723	20 per cent increase in unique visitors to UN-Women website; 50 per cent increase in number of social media viewers				
					11 042	991	11 953

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
2.4.[b] At country and regional level, UN-Women has the capacity in place to enable an effective and strategic response to national demands and to lead and coordinate country team response to gender equality	Number of countries in which UN-Women has offices with base structure[c] funded from the institutional budget	34 offices in 2011 (country offices, subregional and regional); Current regional architecture: geographic divisions at headquarters; funds allocated to staff 5 regional centres; 15 subregional offices (with 3 of the 5 regional centres co-located with subregional offices)	21 new country offices established; new regional architecture in place by 2013	Field/country offices oversight, management and operations support			
	Percentage of United Nations Development Assistance Frameworks (UNDAFs) finalized between 2011 and 2013 that have stronger results and resources for gender equality	10 per cent of UNDAFs reviewed (2008/09 group) have outcome level results for gender equality/women's empowerment	By the end of 2013, 40 per cent of UNDAFs rolled out between 2011 and 2013 have outcome-level results on gender equality with indicative resources clearly delineated		14 375	—	14 375
Subtotal, Development effectiveness					**35 891**	**4 001**	**39 892**
United Nations development coordination activities							
1.1. UN-Women effectively leads, coordinates and promotes accountability for the implementation of gender equality commitments across the United Nations system	Number of United Nations system-wide decisions/policies/ guidance and memorandums of understanding between UN-Women and other United Nations agencies to promote stronger United Nations action and accountability on gender equality resulting from UN-Women's leadership	United Nations Development Group: inclusion of gender equality as a key programme principle for UNDAFs; United Nations country team performance indicators on gender equality; United Nations System Chief Executives Board for Coordination (CEB): system-wide policy and mandated action plan on gender equality 14 United Nations country teams have	CEB policy on system-wide adoption of gender marker CEB adoption of system-wide action plan on gender mainstreaming Common United Nations position on aid effectiveness and gender equality Common United Nations system-wide position on key areas of work as detailed in the	United Nations coherence and cluster coordination			

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
		completed implementation of performance indicators on gender equality Baseline on gender audit to be established in 2011	development results framework: temporary special measures for women; common framework on violence against women and girls, etc. (already referenced in the development results framework) 50 per cent of country teams[d] rolling out UNDAFs by 2013 implement performance indicators on gender equality or gender audit		20 897	—	20 897
Subtotal, United Nations Development Coordination Activities					**20 897**	**—**	**20 897**
Management activities							
3.1.[c] Effective leadership and direction to advance the mandate and mission of UN-Women	Extent of strategic plan implementation	No baseline	70 per cent achievement on average of strategic plan targets in development results framework and management results framework by 2013	Leadership and corporate directions	4 566	239	4 805
1.2. Effective partnerships between UN-Women and major stakeholders, including civil society, private sector, regional and international organizations	Evidence of civil society advisory groups at global, country and regional levels providing regular feedback on UN-Women programming	No formal advisory groups set up yet	Advisory groups exist at global, regional and country levels and provide regular feedback on UN-Women programming	Corporate external relations and partnerships, communications and resources mobilization	1 100	—	1 100

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
2.3. A clear evidence base generated from high-quality evaluations on strategic plan implementation for learning, decision-making and accountability	Number and quality of relevant corporate and decentralized evaluations completed at the end of the strategic plan	2 corporate evaluations 50 per cent of evaluations with quality score of "good" or above (2010-meta evaluation) 4 partnerships on evaluation Capacity development established (2010 annual evaluation report)	2 corporate evaluations 80 per cent of all evaluations conducted annually by UN-Women receive a quality score of "good" or above System-wide joint programme evaluation completed in 2012; one meta-evaluation of all gender evaluations in the United Nations system completed in 2013 4 partnerships on evaluation capacity Development established and implemented by 2013	Corporate oversight and assurance	1 350	682	2 032
3.2. UN-Women's internal systems, including change management and consolidation processes, completed on time	Change management process designed, rolled out and fully implemented Average turnover time for the identification of qualified candidates and complete recruitment	Change management (human resources) policy approved and disseminated 5 months in 2011	Fully implemented by 2013 4 months by end of 2013	Corporate human resources management	4 110	1 042	5 152

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
3.3. UN-Women operations reflect a culture of risk management, oversight and accountability	Extent of compliance with the International Public Sector Accounting Standards (IPSAS)	United Nations system accounting standards accounting	Full implementation of and compliance with IPSAS by the end of 2012	Corporate financial, information systems and telecommunications and administrative management			
	Percentage of UN-Women projects that link financial information with programme results	80 per cent of projects currently link budgets with results	100 per cent of projects by end of 2012		5 086	230	5 316
	Percentage of implementation of audit recommendations by target completion dates	To be established end of 2011	By 2013, 80 per cent of audit recommendations implemented				
	Extent of compliance of all UN-Women operations with Department of Safety and Security standards	To be established end of 2011	Full compliance by end of 2012	Global staff and premises security	2 700	—	2 700
4.1. Improved stewardship of resources under UN-Women management	Rates of programme expenditure	Delivery is 80 per cent	Delivery at a minimum of 80 per cent against benchmark[f]	Corporate financial, information systems and telecommunications and administrative management			
	UN-Women donor reports meet quality standards	No baseline exists	80 per cent of donor reports meet quality standards as set in the guidelines		48 775	486	49 261

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
4.2 Resource base is expanded and diversified to meet the demand for UN-Women catalytic and technical support and strategic grant-making	Percentage of strategic plan resource mobilization targets achieved	Baseline to be established at end of 2011	Actual fund-raising meets yearly targets set out in strategic plan (2012: $400 million; 2013: $500 million)	Corporate external relations and partnerships, communications and resources mobilization			
	Number of Member States that contribute to UN-Women core resources	At the end of 2010, 106 Member States contribute to UN-Women	A minimum of 150 Government donors secured and maintained, 15 per cent in multi-year format				
	Percentage of resources generated through partnerships with non-traditional donors	At the end of 2010, approximately 1 per cent of total resources were generated through non-traditional donors	5-10 per cent of resource base generated through non-traditional donors				
	Funds generated from national committees per year	In 2010, $779,000 was raised by national committees	National committees generate $6 million per year				
	Amount of funding disbursed through fast-track multi-donor funds directly as grants to national partners to implement commitments for gender equality	Estimated new disbursements in 2011: total of $47 million ($22 million from United Nations Trust Fund to End Violence against Women; $16 million from Fund for Gender Equality; and $9 million from other funds managed by UN-Women)	Disbursements from multi-donor funds reach $80 million in 2013				
					3 632	582	4 214

Strategic plan output	*Key performance indicator*	*Latest date (baseline)*	*Target 2013*	*Functional cluster*	*2012-2013 indicative resources (Thousands of United States dollars)*		
					Unearmarked	*Earmarked*	*Total*
4.3. Visibility and positioning of UN-Women as a leading advocate on gender equality and women's empowerment is increased	Extent of partner satisfaction with UN-Women's positioning as a leading advocate on gender equality and women's empowerment	To be established at the end of 2013 following the proposed partner survey	At least 70 per cent partner satisfaction reported in 2013	Corporate external relations and partnerships, communications and resources mobilization			
					2 240	1 167	3 407
Recurrent					**73 559**	**4 427**	**77 986**
Non-recurrent					**2 000**		**2 000**
Subtotal, Management activities					**75 559**	**4 427**	**79 986**
Special-purpose activities							
Total institutional budget					**132 347**	**8 428**	**140 775**

[a] See UN-Women strategic plan, 2011-2013, annex II, at www.unwomen.org.
[b] Renumbered as 2.4 in revised management results framework; previously numbered 3.1.
[c] As defined by the field capacity assessment.
[d] Refers to United Nations country teams that UN-Women provides support to through actual country presence or through regional centres/subregional offices/multi-country offices.
[e] New output to align with the harmonized outputs of the United Nations funds and programmes.
[f] Consistent 80 per cent from 2011 to 2012-2013 owing to change in cash advance policy.

Table 2
Main areas of cost and volume changes
(Millions of United States dollars)

I. 2010-2011 institutional budget	
Biennial support budget from voluntary resources	103 000
Security costs	5 000
Adoption of IPSAS	300
Subtotal, I	**108 300**
II. Increases/decreases due to costs	
Inflation currency and staff costs	4 907
Subtotal, II	**4 907**
III. Increases/decreases due to changes in volume	
(a) Increases	
Strengthening the field	24 372
Strengthening policy capacity for strategic plan implementation	2 987
Strengthening capacity for strategic partnerships resource mobilization and communications	3 086
Strengthening programme support	1 789
Strengthening management support	5 051
Strengthening independent evaluation and oversight	1 335
Strengthening United Nations coordination and accountability	1 219
Reimbursement for UNDP services	858
Information and communications technology improvements	1 048
Subtotal, III (a)	**41 746**
(b) Decreases	
Office rental, relocation and modernization	(1 043)
Other non-post costs	(11 335)
Subtotal, III (b)	**(12 378)**
Subtotal, III	**29 368**
IV. Other increases and decreases	
Security costs	(2 300)
Adoption of IPSAS	500
Subtotal, IV	**(1 800)**
V. Net change	32 475
VI. 2012-2013 institutional budget estimates	140 775
Estimated income under institutional budget	**(8 428)**
Total net budget estimates	**132 347**

C. Budget proposals

56. UN-Women proposes an institutional budget of $140.8 million (gross). As 2011 was the first year of operations of UN-Women, there is no adequate biennial baseline against which to compare the 2012-2013 proposals. An arithmetic doubling of the 2011 budget to create a biennialized comparator provides a deficient benchmark because it does not capture all relevant budgetary elements and also does not provide for year-to-year cost increases. In the absence of a better measure, these proposals can be seen as an increase of 30.0 per cent over the biennialized 2011 institutional budget. In that context, the real increase is about 25.5 per cent, while cost changes account for 4.5 per cent.

57. The proposals carry forward the initial steps approved by the Executive Board in January 2011 to support programme delivery at the country level by progressively broadening the Entity's country presence. Of 139 new posts, 102 are in the field and 37 are at headquarters. The much more limited investments at headquarters provide policy, programme and coordination support for the implementation of strategic plan priorities and redress insupportable gaps in core institutional functions. This first institutional budget is a major step in the organizational development of UN-Women. Proposals for further investments should be anticipated in line with the growth of contributions and the outcomes of ongoing analyses by UN-Women of how best to support programme delivery and operations.

1. Cost increases

58. A provision of $4.9 million is made to cover statutory and non-discretionary cost increases, representing an average of 4.8 per cent over the biennialized and restated institutional budget for 2011. Adjustments in cost increases are required to cover the cost of inflation and currency adjustment and cost adjustments related to posts, including staff entitlements and post adjustment multipliers. A provision for after-service health insurance for staff members is already reflected as part of the pro forma salary cost.

2. Changes in volume due to investment in UN-Women

(a) Increases

Strengthening the field

59. UN-Women proposes to invest an additional $24.4 million to strengthen its capacity for direct engagement in the field. This would bring the total provision for the field to $76.9 million, or 55 per cent of the institutional budget.

60. UN-Women came into being with only six posts in the field funded by the institutional budget. As an initial step towards supporting properly budgeted country-level capacity pending the approval of the strategic plan, the Executive Board, in January 2011, approved the conversion from programme resources to the institutional budget of a P-5 and a G-6 post in each of 15 countries. It also approved six new posts for two complex countries. It was made clear that the two posts in the 15 countries reflected then-existing arrangements and that the profile of country presences would be developed in the light of the field capacity assessment.

61. The field capacity assessment identified the following four functional areas for UN-Women support at the country level:

(a) Supporting development and implementation of evidence-based laws, plans, policies and budgets;

(b) Supporting gender equality advocate to strengthen their role in decision-making processes that shape the lives of women, while adding UN-Women's advocacy and voice to their efforts;

(c) Supporting the development and strengthening of knowledge and expertise on gender equality and the status of women and girls;

(d) Leading coordination, within the resident coordinator system, to promote enhanced coherence and accountability within United Nations country teams.

62. Given these four functions, UN-Women envisages the following base staffing capacity for country offices:

(a) An international representative, generally at the P-5 level, however, in selected complex or multi-country offices, D-1 would be the appropriate level;

(b) A programme officer, either international or national staff depending on the context;

(c) A national operations officer able to implement UN-Women operational policies and procedures where a regional operations and management hub does not exist;

(d) A national administrative assistant;

(e) Where other more economical options are not available, a driver/clerk.

63. The proposed budget provides for:

(a) Attainment of the base capacity of four or five posts recommended in the context of the field capacity assessment for the 17 country presences for which the Executive Board had earlier in 2011 already approved institutional budget resources;

(b) An additional 21 country presences (11 in 2012 and 10 in 2013) that would be developed progressively with an initial capacity of up to three posts;

(c) The establishment of a regional centre for Europe and Central Asia.

64. Altogether, 102 new posts in the field would be added. Of those, 19 represent a conversion of funding source. One new D-1 post would be established to lead the regional centre for Europe and Central Asia, while a P-5 post would be reclassified to the D-1 level to head the South Pacific office, based in Fiji.

65. The identification of common functional areas of support is not to be misconstrued as a one-size-fits-all approach. As emphasized in the strategic plan, the pathway to change is different for each country. How support is extended will be shaped to fit national priorities and will take account of the capacities that the country team as a whole can bring to bear. UN-Women fully appreciates that in some countries other United Nations entities are also involved in supporting gender equality and the empowerment of women. In such countries, UN-Women will ensure that its work in leading and supporting the country team reinforces the efforts of its United Nations partners rather than overlapping with them, including through the functions described in paragraph 30 above.

Strengthening policy capacity for strategic plan implementation

66. The proposed increase of $3.0 million provides for capacity to lead and support the approved thematic priorities of increasing women's political participation, women's economic empowerment and capacity for data research and knowledge management. About half of the increase stems from a change in funding source from programme funding to the institutional budget. The resources provide for the strengthening of the Governance, Leadership and Political Participation section, including the establishment of a new D-1 post to head the section, which will spearhead the response to two substantive priority areas in the strategic plan: to increase women's leadership and participation and to strengthen the responsiveness of plans and budgets to gender equality efforts at all levels. The section is also responsible for working on gender rights as human rights. It will provide technical advice and support to country programmes and to the intergovernmental process. There is growing demand for advice and support in this area, as evidenced by recent transitions taking place in the Arab region and elsewhere. The scope of these issues and the range of results to be achieved in the three areas require strategic thinking, the ability to forge partnerships at a senior level and strong management capability. Resources are also provided to strengthen research and data analysis capacity. This investment aims at supporting research, statistics generation and other knowledge-gathering activities that will help to build the strong analytical and evidentiary base that are required to inform the development of effective policies and programmes.

Strengthening capacity for strategic partnerships, resource mobilization and communications.

67. The increase of $3.1 million is attributed to different factors. Strengthening the resource mobilization staff will enable UN-Women to service an increasing portfolio of donor-funded programmes and projects and nurture relationships with a broader base of donor countries, including non-traditional ones, and private sector organizations and foundations. Current budgetary arrangements for communications reflect a significant gap in support for basic functions, such as editorial, audio-visual and media outreach activities. Advocacy and influence are part of the core business of UN-Women and require a professional and dedicated communications function. UN-Women, however, accomplishes its significant output primarily with support cobbled together using consultants on special service agreement contracts rather than staff. The proposed budget takes initial steps to rectify this past underinvestment. Most of the new capacity would replace ongoing functions that had been filled by holders of full-time special service contracts.

Strengthening programme support

68. The investment of $1.8 million is aimed at providing capacity to address the increased support for programme activity in the newly created Arab States section, given the growth of demand and new opportunities in the region, and to establish minimal capacity to strengthen leadership and coordination on gender equality and gender mainstreaming in humanitarian action. This minimal capacity will also facilitate sustainability in addressing gaps in gender-responsive humanitarian action. UN-Women will work within existing inter-agency coordination mechanisms and in close collaboration with the Office for the Coordination of Humanitarian Affairs Gender Standby Capacity project, which is limited in its duration, in providing advisory and support functions for humanitarian action. UN-Women will strengthen

the long-term capacity of humanitarian actors and the sustainable practical application of gender equality programming in emergency preparedness, response and recovery.

Strengthening management support

69. The investment of $5.1 million in management support reflects requirements across the spectrum of functions. There is an urgent need to increase capacity for the human resources function, in particular recruitment and staffing, and to professionalize functions in other areas. Insufficient professional capacity in sensitive management and administrative functions, such as procurement and facilities management, poses unnecessary risk and contributes to a transactional rather than strategic approach. The proposals provide for a legal officer to facilitate the handling of issues and to liaise with the Office of Legal Affairs of the Secretariat, as well as an audit officer to support UN-Women in the follow-up of oversight recommendations.

Strengthening independent evaluation and oversight

70. One of the priority emphases is supporting knowledge-based programmes, which requires enhanced independent evaluative capacity. The proposed investment of $1.3 million is a step towards providing the required evaluation capacity. It supplements the single evaluation post in the institutional budget with two more by changing the source of their funding from programme resources to the institutional budget.

Strengthening the coordination and accountability of the United Nations

71. The additional provision of $1.2 million supports the new mandate conferred by General Assembly resolution 64/289 to lead, coordinate and promote the United Nations system with respect to gender equality and the empowerment of women. None of the pre-existing entities was staffed to serve this role, which cuts across the global and country levels through both the operational and normative dimensions. Among the priorities that the additional capacity will address is ensuring the development and implementation of a United Nations system-wide action plan to establish an accountability framework for the work of the United Nations on gender equality and the empowerment of women. It will also enable UN-Women to spearhead efforts to mainstream gender in the operational activities of the United Nations system and enhance coherence between operational and normative work, and will provide guidance and instruments to strengthen the coordination of the work of the country teams on gender.

Reimbursement of the United Nations Development Programme for support services

72. Reimbursements paid to UNDP will increase in volume by $0.9 million over the biennialized 2011 level, primarily because of an increase in the number of staff being supported. The major support service areas are information technology, treasury, payroll, internal audit and travel. The goal is to maximize resource use by accessing the extensive operational capacity and information technology infrastructure of UNDP at the country and headquarters levels.

Information and communications technology improvements

73. During 2012-2013, business-driven information and communications technology initiatives will be undertaken, including a revised results-tracking system, the consolidation of programme databases, improved donor reporting and transparent access to information, e-recruitment, an improved records and document management platform and consolidation of UN-Women public websites on a new platform. An estimate of $1.0 million is provided in the budget for these initiatives.

(b) Decreases

Office rental, relocation and modernization

74. Overall, the provision for rent in the proposed budget shows a volume decrease of $1.0 million owing to the improved apportionment of rental costs to trust funds and cost-sharing activities. At headquarters, the consolidation of office premises is under way. The provision of $6.0 million from the institutional budget for rent in New York reflects the lower unit cost of space in the new location compared with the previous facilities.

Other non-post costs

75. The Executive Board, in its decision 2011/1, approved the amount of $51.5 million for the 2011 UN-Women institutional budget, of which $16.1 million represents non-post costs. On a biennial basis, this represents an amount of $32.2 million. This baseline total is reduced by $11.3 million for the 2012-2013 institutional budget estimates with a view to cutting the general operating costs of UN-Women.

76. Table 3 provides an overview of posts. UN-Women proposes the establishment of 139 new posts, 25 of which represent the conversion of funding source from programme resources to the institutional budget. A further 13 posts provide for ongoing functions that have been discharged by an equal number of consultants. The eight P-4 country programme manager posts being converted would be established at the P-5 level. In addition, 11 upward reclassifications are proposed, including from P-5 to D-1, for the head of the South Pacific office, based in Fiji. A new D-1 post would be established in the Policy Division to direct work on leadership and political participation.

Table 3
Institutional budget posts, by location

	2011 approved posts							*Changes*						*2012-2013 proposed posts*						
	USG/ ASG	*D-2*	*D-1*	*Other Professional*	*All other*	*Total*	*Percentage of total*	*USG/ ASG*	*D-2*	*D-1*	*Other Professional*	*All other*	*Total*	*USG/ ASG*	*D-2*	*D-1*	*Other Professional*	*All other*	*Total*	*Percentage of total*
Field	—	—	7	72	68	147	59	—	—	2	66	34	102	—	—	9	138	102	249	65
Headquarters	1	4	5	49	42	101	41	—	—	1	28	8	37	1	4	6	77	50	138	35
Total	**1**	**4**	**12**	**121**	**110**	**248**	**100**	**—**	**—**	**3**	**94**	**42**	**139**	**1**	**4**	**15**	**215**	**152**	**387**	**100**

77. A summary of senior posts is provided in table 4, and a summary of proposed resource requirements by expenditure category is provided in table 5.

Table 4
Summary of senior posts

	ASG	*D-2*	*D-1*	*Total*
Approved senior posts in 2011 funded from unearmarked voluntary contributions				
Country based	—	4	7	9
Headquarters based	1	—	5	8
Subtotal	**1**	**4**	**12**	**17**
Proposed increases, 2012-2013				
Country based	—	—	2	2
Headquarters based	—	—	1	1
Net increase	**—**	**—**	**3**	**3**
Total senior posts, 2012-2013[a]	**1**	**4**	**15**	**20**
Proposed senior posts 2012-2013 funded from unearmarked voluntary contributions				
Country based	—	—	9	12
Headquarters based	1	4	6	8

[a] Seven senior posts are funded from regular budget resources and are therefore not listed above, including one Under-Secretary-General, one Assistant Secretary-General and two D-2 and three D-1 posts.

Table 5
Summary of proposed budget estimate, by expenditure category[a]
(Thousands of United States dollars)

		2012-2013			
		Change in volume			
Category	2011 biennialized budget (a)	Amount (b)	Percentage (c)=(b)/(a)	Change in cost (d)	Estimate (e)=(a)+(b)+(d)
Posts	70 800	30 595	43.2	3 361	104 756
Other staff costs	2 231	869	39.0	107	3 207
Consultants	2 864	(381)	(13.3)	137	2 620
Travel	2 386	(154)	(6.4)	115	2 347
Operating expenses	3 576	(757)	(21.2)	172	2 991
Furniture and equipment	3 154	(1 813)	(57.5)	151	1 492
Reimbursement to UNDP	7 554	858	11.4	363	8 775
External audit fees	660	146	22.2	32	838
Rent	9 775	(1 043)	(10.7)	469	9 201
ICT investment projects	—	1 048	—	—	1 048
Total	**103 000**	**29 368**	**28.5**	**4 907**	**137 275**
Security	5 000	(2 300)	(46.0)	—	2 700
IPSAS implementation	300	500	166.7	—	800
Subtotal	**5 300**	**(1 800)**	**(34.0)**	**—**	**3 500**
Total	**108 300**	**27 568**	**25.5**	**4 907**	**140 775**
Income					(8 428)
Total net					**132 347**

[a] From voluntary contributions.

V. Draft decision

78. The Executive Board may wish to adopt the following decision:

The Executive Board

1. Takes note of the results-based-budgeting approach used to formulate the institutional budget estimates of UN-Women for the biennium 2012-2013, including the application of harmonized cost classifications, in line with Executive Board decision 2011/1;

2. Requests the Under-Secretary-General/Executive Director to make further efforts to strengthen the linkages between mandated results and the resources utilized in the context of preparation for the submission of a fully integrated budget for the biennium 2014-2015;

3. Welcomes the measures envisaged by the Under-Secretary-General/ Executive Director to improve business processes and enhance operational efficiency and effectiveness;

4. Takes note of the intention of the Under-Secretary-General/Executive Director to report to the Executive Board on the conclusions of the regional architecture review at its annual session of 2012;

5. Approves regular resources in the amount of $132.3 million and notes that the total institutional budget for 2012-2013 would be $140.8 million;

6. Authorizes UN-Women to carry forward to 2012-2013 $800,000 of the unutilized balance of the 2011 change management resources pending the submission of the report on the regional architecture review and the organizational efficiency and effectiveness initiative to the Executive Board.

Annex I

Details of results and resources framework

1. The present annex provides information on the results for each cost classification category by each organizational output as set out in the strategic plan.

***Development effectiveness*: a culture of results-based programming, reporting and knowledge management is comprehensively institutionalized across UN-Women.**

***Output 2.1.* UN-Women programming practices are specific, measurable, attainable, realistic and time bound and reflect systematic results orientation.**

2. Strengthening the implementation of a results-based-management approach is a high priority. Work will include an enhanced electronic results-tracking system and new electronic information and content management systems to automate workflows and improve the quality of programme planning and approval processes. The sponsor for this output is the Programme Support Division.

***Output 2.2.* UN-Women headquarters- and field-based systems support evidence-based knowledge generation on gender equality and women's empowerment.**

3. A key function of UN-Women is to serve as the hub of knowledge and experience on gender equality and women's empowerment. UN-Women will become a key repository and provider of knowledge and practices that have proved successful in advancing gender equality. It will use advanced technologies to support stronger management of knowledge gained from its programmatic and partner experiences to contribute to a stronger evidence base for policy advocacy and programming, as well as to disseminate and track the relevance and resonance of its knowledge outputs.

4. UN-Women will support local cutting-edge research, identify the best technical expertise from within and outside the United Nations system and support South-South exchange and will link national research institutions with regional and global gender equality research and evaluation agendas. It will also continue to produce its flagship publication, *Progress of the World's Women*. The sponsor for this output is the Policy Division.

***Output 2.4.* At the country and regional levels, UN-Women has the capacity in place to enable an effective and strategic response to national demands and to lead and coordinate the response of United Nations country teams to gender equality.**

5. A pivotal role of UN-Women is to lead and coordinate a holistic United Nations country team response to the demands of countries for support to implement their international and national commitments to gender equality. The strategic plan envisioned offering a standard model of support, as described in the field capacity assessment, in 75 countries. As a further step towards this goal, the proposed budget adds 21 country presences to the 17 for which the 2011 institutional budget provided capacity. It also provides for a regional centre serving Europe and Central Asia. A UN-Women country presence would be provided only on the request of the national Government. The sponsor is the Programme Support Division.

***United Nations development coordination*: UN-Women contributes to more effective and efficient United Nations system coordination and strategic partnerships on gender equality and women's empowerment.**

***Output 1.1.* UN-Women effectively leads, coordinates and promotes accountability for the implementation of gender commitments across the United Nations system (see General Assembly resolution 64/289, paras. 52 and 53).**

6. The General Assembly resolution in which UN-Women was founded (64/289) confers the mandate of "leading, coordinating and promoting the accountability of the United Nations system in its work on gender equality and the empowerment of women". This requires UN-Women to work with the United Nations system to ensure that policies, guidance and tools reinforce focus on gender equality and women's empowerment; to mobilize the technical expertise to address multisectoral challenges; to leverage more resources, capacity and voices across the United Nations system on gender equality and women's empowerment; and to identify and scale up proven innovations.

7. UN-Women will work at the country level as part of the resident coordinator system to coordinate an effective system-wide response to national priorities on gender equality; support regional directors' teams and the regional coordination mechanisms; at the global level, use its participation in high-level decision-making bodies (e.g. the United Nations System Chief Executives Board for Coordination, the Secretary-General's Policy Committee, the United Nations Development Group) to advocate for system-wide policies in key sectoral areas, as well as to secure enhanced commitments to comprehensive strategies on gender equality. Accountability for the results of this output is shared. It rests with the United Nations System Coordination Office, UN-Women country representatives and UN-Women coordination officers in regional centres. The Coordination Office is the sponsor for this output.

***Management*: improved organizational effectiveness with a focus on leadership and oversight, robust capacity and efficiency at the global, country and regional levels.**

***Output 3.1.* Effective leadership and direction are provided to advance the mandate and mission of UN-Women.**

8. The leadership of UN-Women is responsible for leading global efforts to achieve gender equality and women's empowerment by supporting Member States in strengthening the normative intergovernmental framework and catalysing a robust United Nations system effort to support Member States in the implementation of that framework with maximum impact on the ground to advance national priorities. The leadership is also accountable for continuously improving institutional performance and accountability to achieve the development goals. Accountability for this output rests with the Office of the Under-Secretary-General/Executive Director and the Assistant Secretaries-General. The sponsor is the Office of the Under-Secretary-General/Executive Director.

***Output 1.2.* Effective strategic partnerships between UN-Women and civil society (ibid., paras. 54 and 55).**

9. The UN-Women partner consultations conducted in 2011 demonstrated high demand from civil society partners to establish formal dialogue mechanisms with

UN-Women. UN-Women will therefore engage with civil society advisory groups at the global, regional and country levels to ensure that it is receiving systematic feedback, to develop joint advocacy initiatives and to facilitate the participation of non-governmental organizations in intergovernmental processes and key international gatherings and policymaking forums. The sponsor is the Strategic Partnerships, Advocacy, Civil Society, Communications and Resources Mobilization Division.

Output 2.3. **A clear evidence base generated from high-quality evaluation of the implementation of the strategic plan for learning, decision-making and accountability.**

10. The independent evaluation function will be governed by an evaluation policy in which will be established the types of evaluation and whether they are mandatory, as well as the roles and responsibilities for evaluation within the organization with respect to its normative and operational work. The UN-Women evaluation strategy will be in compliance with United Nations Evaluation Group norms and standards for evaluation. The sponsor for this output is the Evaluation Office.

Output 3.2. **UN-Women internal systems, including change management and consolidation processes, and completed on time.**

11. UN-Women is formulating a comprehensive human resources management strategy that will ensure dedicated and quality human resources at headquarters and in the field. UN-Women will support continuous learning at all levels. Accountability for the results of this output is shared among the Management and Administration Division, including primarily the Human Resources Office, which is also the sponsor of this result.

Output 3.3. **UN-Women operations reflect a culture of risk management, oversight and accountability.**

12. The overarching aims are to optimize performance effectiveness and impact under the strategic plan and to support organizational integrity. The organization will sustain oversight and monitoring through: (a) regular and periodic audits; (b) independent administrative and programme-related audits; and (c) investigations of alleged fraud or other misconduct. The Management and Administration Division is the sponsor of this output.

Output 4.1. **Improved stewardship of resources under UN-Women management.**

13. The aim is to make optimal use of financial resources for effective and efficient programming in accordance with the mandate of UN-Women. UN-Women is undertaking an organizational efficiency and effectiveness initiative to ensure that programme delivery and administrative arrangements are optimized. The organization will maintain cost-effective and transparent systems of financial management and accountability for the use of resources and assets; will support the results-based budgeting of resources; will ensure the timely allocation and distribution of programme and administrative budgets; and will manage and report on financial transactions. The Division of Management and Administration is the sponsor for this output.

Output 4.2. **The resource base is expanded and diversified to meet the demand for UN-Women catalytic and technical support and strategic grant-making.**

14. Activities for resource mobilization and fund-raising will be guided by a strategic partnership and resource mobilization strategy that identifies traditional and non-traditional donors, accesses donor funds at the country level, utilizes information technology to broaden outreach, includes products and campaigns that blend resource mobilization and communications to brand UN-Women and prioritizes timely and quality reporting to its donors. The Resource Mobilization Division is the sponsor of this output. Managers of the United Nations Trust Fund to End Violence against Women, the Fund for Gender Equality and other funds managed by UN-Women will mobilize resources for their respective funds.

Output 4.3. **The visibility and positioning of UN-Women as a leading advocate on gender equality and women's empowerment are increased.**

15. Guided by its communications strategy, UN-Women will drive and support advocacy activities to advance women's empowerment and gender equality, enhance public awareness on gender issues and gender equality goals and increase the visibility of programme results to support resource mobilization. The work is led by the Advocacy and Communications Branch, which provides strategic direction and uses all available communication channels, including the Internet, social media, print media, radio and television. The Branch works in close collaboration with all units and country offices in their advocacy efforts.

Annex II

Comparison of resource requirements by functional cluster, 2012-2013

	Amount (thousands of United States dollars)	*Distribution (percentage)*
Development effectiveness		
Programme planning, technical programme guidance and support	13 564	9.6
Policy advocacy and knowledge management	11 953	8.5
Field/country office oversight, management and operations support	14 375	10.2
Subtotal	**39 892**	**28.3**
United Nations development coordination		
United Nations coherence and cluster coordination	20 897	14.8
Subtotal	**20 897**	**14.8**
Management		
Leadership and corporate direction	4 805	3.4
Corporate oversight and assurance	2 032	1.4
Corporate financial, information and communications technology and administrative management	56 577	40.2
Corporate human resources management	5 152	3.7
Corporate external relations and partnerships, communication and resource mobilization	8 721	6.2
Staff and premises security	2 700	1.9
Subtotal	**79 986**	**56.8**
Total	**140 775**	**100**

Annex III

Methodology

1. UN-Women prepared its institutional budget according to the results-based-budgeting approach, whereby resources are requested on the basis of results to be achieved rather than by input category or broad strategic objective. To start, an institutional results framework was established in the context of the strategic plan. Organizational capacity to deliver the results was then assessed, leading to the identification of priority areas that would require additional or new investments. The resulting budget was then stated in 2012-2013 terms, incorporating currency and inflationary factors, as well as salary and entitlement-related adjustments.

Establishing institutional results

2. The institutional budget is based on the results, outputs, performance indicators, baselines and targets set out in the strategic plan. In order to ensure accountability for the achievement of planned results, units were designated as "corporate sponsors" for each institutional result as defined in annex I. Sponsors are responsible for leading the process for defining results — selecting performance indicators and setting baselines and targets — as well as for monitoring, assessing and reporting performance against those results to senior management. Accountability for the delivery of planned results accrues to the operational units concerned at both headquarters and country offices.

Assessment of organizational capacities and identification of volume changes

3. The second step in developing the institutional budget was to assess organizational capacity to deliver the management results, leading to the identification of priority areas that would require investment, as well as areas where efficiency gains could be realized. It is important to note that as 2011 was the first year of operations of UN-Women, there is no adequate biennial baseline against which to compare the 2012-2013 proposals. An arithmetic doubling of the 2011 budget to create a biennialized comparator provides a deficient benchmark because it does not capture all relevant budgetary elements and also does not provide for year-to-year cost increases. However, based on the field capacity assessment, and using the 2011 institutional budget baseline, the increases or decreases in requirements were calculated and designated as volume changes. Volume changes represent the controllable elements in the estimates, which are subject to the Executive Director's assessment of what resources the organization requires to deliver the results to which it has committed. Such volume changes were calculated at the same price levels as the approved appropriations in order to facilitate comparison with the currently approved base.

Various cost adjustments

4. To the approved appropriations and volume changes are added cost increases or decreases attributable to changes in rates or conditions principally tied to salary and related entitlement cost adjustments. These typically reflect known changes that have occurred in the two years since the preparation of the last institutional budget. Such cost factors include, for example, decisions of the International Civil Service Commission on a variety of staff entitlements (such as dependency allowance and

education grant) and changes in the average step of posts by grade level. These adjustments may also include estimates to cover within-grade increments for staff as required. Normally, but not exclusively, such cost adjustments apply to staff costs. An example of this type of cost adjustment for operating expenses would be a change in the rate per square foot for the rental of office space.

Currency adjustments

5. Currency adjustments are then calculated, by year, for the total of approved appropriations, volume and various cost adjustments. Currency adjustments represent the difference between the United Nations operational rate of exchange in effect during the time of preparation of the current institutional budget and the rate of exchange in effect during the preparation of the proposed budget. This factor is of particular importance given the large number of UN-Women country offices where operating costs vary greatly with the strength or weakness of the United States dollar.

Inflation adjustment

6. To complete the picture and develop the final estimate of requirements for the next biennium, UN-Women must adjust or estimate inflation over a three-year period. Those adjustments are calculated, by year, for the total of approved appropriations, volume and various cost adjustments, adjusted for currency fluctuations as follows:

(a) *For the current year to the first year of the proposed biennium.* The existing estimates already embody earlier estimates of inflation. The inflation adjustment for this transition therefore includes:

(i) The difference between the application of earlier estimates and the actual inflation for the current year;

(ii) The inflation projection for the first year of the proposed biennium;

(b) *For the current year to the second year of the proposed biennium:*

(i) As in (a) above;

(ii) The inflation projection for the second year of the proposed biennium.

7. In order to arrive at these estimates of inflation, four inflation factors for each location are adopted for each year:

(a) The estimated movement of post adjustment for international Professional staff;

(b) International travel and common staff costs for international Professional staff (this is the same for all locations);

(c) Salaries and common staff costs for local staff (i.e. in the National Officer, General Service and related categories), which may vary significantly from location to location;

(d) All other costs, such as operating expenses.

8. Within this general framework, New York is treated separately from field offices. For these locations, the rates used are the same as those used by the United Nations unless specific contractual commitments differ.

9. Apart from a limited number of cost elements, such as international travel and the common staff costs of international staff, the inflation factors for field offices must be location specific. Estimates are compared with past experience and current global patterns and/or information available and are published before being applied to the budget estimates.

Annex IV

Terminology

Harmonized cost classification terminology[a]

Development activities. Costs associated with programmes and development effectiveness activities that contribute to the effective delivery of development results as follows:

(a) **Development effectiveness**. Activities of a policy advisory, technical and implementation nature that are needed for the achievement of the objectives of programmes and projects in the focus areas of the organizations. These inputs are essential to the delivery of development results, and are not included in specific programme components or projects in country, regional or global programme documents;

(b) **Programmes**. Activities and associated costs traced to specific programme components or projects that contribute to the delivery of development results contained in country/regional/global programme documents or other programming arrangements.

United Nations development coordination. Activities and associated costs supporting the coordination of development activities of the United Nations system.

Management. Activities of UN-Women organizational units whose primary functions are the maintenance of the identity, direction and well-being of UN-Women. This typically includes units that carry out executive direction, policy and evaluation, external relations, information, planning and resource management, finance and administration, and audit functions, including activities and associated costs of a recurring and non-recurring (one-time) nature.

Special-purpose activities. Activities and associated costs of a cross-cutting nature that involve either capital investments or services for other United Nations system organizations and do not represent a cost related to the management activities of UN-Women. Capital investment in the context of the classification of special-purpose activities refers to significant projects involving purchases or improvements of UN-Women assets of a tangible or intangible nature.

Other terminology

Appropriation line (similar to definitions included in the financial regulations of the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund). A subdivision of the appropriation for which a specific amount is shown in the appropriation resolution and within which the Executive Director is authorized to make transfers without prior approval.

Cost (increase/decrease). Any increase or decrease in the cost of a resource input in the budget period compared with that in the previous budget period arising from changes in costs, prices and exchange rates.

[a] Terms on which common agreement has been reached and their corresponding definitions.

Enterprise resource planning. A management information system that integrates and automates business practices associated with the operations of an organization, or multimodule application software that helps an organization to support such systems, or a combination of the two.

Functional cluster. One or more discrete organizational units within a functional area that directly supports the management of the organization.

Gross budget. Total estimated budgetary requirements, irrespective of funding source.

Institutional budget. Budget covering a set of functions that support the operational activities of the organization over a two-year period based on a set of defined results derived from the strategic plan.[b]

Local staff. National Officer and General Service level posts.

Net budget. Budget that reflects estimates of income expected, which offsets, in whole or in part, the related gross budget estimates.

Other resources/earmarked. Resources other than regular resources received for a specific programme purpose consistent with the mandate of UN-Women and for the provision of specific services to third parties.

Programming arrangements. Legal framework containing the principles and parameters for the distribution of regular resources supporting development activities.

Regular budget. Portion of assessed contributions allocated to UN-Women through the United Nations programme budget, prepared by the Secretary-General and approved by the General Assembly. UN-Women shall prepare programme budget proposals for the forthcoming financial period at such times and in such detail as the Under-Secretary-General for Management may prescribe and in accordance with the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2008/8).

Regular resources/unearmarked. Resources of a voluntarily funded organization that are comingled and untied, including pledges of voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Various cost adjustments. Cost increases and decreases attributable to changes in rates or conditions not tied to currency or annual inflation adjustments.

Volume (increase/decrease). Any increase or decrease in resource requirements attributable to changes in the level or nature of activities carried out by an organization during the current budget period and those proposed for the forthcoming budget period. Volume is expressed using the same cost factors applicable for the approved appropriations to permit direct comparison of these changes relative to the level of activities approved for the current budget period.

[b] It is intended to replace the support budget definition as set out in the UN-Women financial regulations and rules (support budget shall cover the budget for one or more years for the costs of programme support and management and administration services of UN-Women) with the institutional budget definition.

Voluntary contributions. Annual contributions to UN-Women from Governments of States Members of the United Nations, the specialized agencies or the International Atomic Energy Agency, or from non-governmental sources, including foundations, private sector organizations and individuals.